

JUSTIFICATION AND APPROVAL
FOR EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs
Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, NJ 07724
2. Description of Action: This proposed action is for a one year Firm-Fixed-Price Delivery Order (DO), issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-wide Acquisition Contract (GWAC) for Red Hat Enterprise Linux software licenses with included service and support.
3. Description of Supplies or Services: The proposed action is to provide 160 Red Hat Enterprise Linux software licenses for the Department of Veterans Affairs (VA) Region 4 Data Center. The acquisition of Red Hat Enterprise Linux software licenses will provide the capability for multiple applications to have a consistency across physical, virtual, and cloud environments. The service and support includes 24x7 phone support, web support, unlimited incident resolution and new updates. The use of Red Hat software is vital to ensuring continuous operation of mission critical systems necessary for supporting Veteran data programs across VA. By utilizing the advantages provided by open source software, Red Hat Enterprise Linux software serves to manage underlying system complexity, reduce data bottlenecks, improve application performance, reduce power consumption, and ensures end-to-end data integrity.
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 253(c)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited Above: The United States Government evaluated and certified Red Hat and SuSE Linux during an evaluation sponsored by National Institute of Standards and Technology. This Common Criteria Evaluation is based on assurance levels. The Evaluation Assurance Level 4 (EAL4) is the level used for evaluating operating systems and is the type of certification used for Windows and various Unix platforms. Only two Linux operating systems have met the EAL4 certification: Red Hat Linux and SuSE Linux.

As of May 21, 2012, the only current enterprise Linux platform approved under the One-VA Technical Reference Model (TRM) v. 12.3 is Red Hat 6. For any other Enterprise Linux platform to certify under One-VA TRM criteria, length of time can vary between eight weeks to over a year for laboratory testing time and certification per module. This length of time presents a risk for the on-time delivery of expected benefits to the Veteran through the Veteran Point of Service (VPS) Kiosk program. Usage of Red Hat

Enterprise Linux represents approximately 3000 systems in VA Office of Information and Technology (OIT) varying from mission critical data servers to the Food and Drug Administration certified patient-data systems classified as medical devices, to development and test systems including mainframes. A variance from use of the Red Hat operating system represents a major change in the operations and would require certification and accreditation (C&A) to ensure its acceptance into the VA system architecture. This would cause delays in the deployment of the software of up to 6-8 months if approved, which is not guaranteed.

The VA currently utilizes servers running Red Hat Enterprise Linux software licenses. The use of this product at the VA Region 4 Data Center will ensure interoperability with existing platforms, as well as existing development activities and policies that would not work on other software platforms. Even though there are other LINUX products, each is proprietary to the Operating System, in this case Red Hat. Selection of software licenses not compatible with the functional and operational specification of the current dedicated Red Hat Enterprise Linux servers will cause system problems resulting in decreased operational efficiency that will generate a quantifiable cost to the VA and a negative qualitative impact on the Veteran, as delays in building the Data Center may ensue. Additionally, if a software product other than Red Hat is selected, the architectural design of approximately 3000 development, test, preproduction and production, including mission critical, Linux systems would need to be re-engineered and re-validated. This would result in substantial addition of both cost for any required hardware or software, as well as, the opportunity cost of time spent by VA employees performing the re-engineering efforts.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. Although the Government is limiting competition as a result of specifying Red Hat Enterprise Linux software license brand name, there are authorized resellers of this product on the NASA SEWP IV GWAC. Limited competition for this requirement among these resellers is anticipated. Furthermore, in accordance with FAR 5.301 and 16.505(b)(2)(D)(1)(i), this action will be synopsisized at award on the Federal Business Opportunity Page (FBO) and the justification will be made publicly available on FedBizOpps.gov within 14 days after award in accordance with FAR 16.505(b)(2)(ii)(D)(1).

7. Actions to Increase Competition: In order to remove barriers to competition for future acquisitions, the Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be competed.

8. Market Research: Market research was conducted in May 2012 utilizing the NASA SEWP IV Product Verification and Manufacturer Lookup tool and it was determined that 34 authorized resellers of Red Hat Enterprise Linux software are current contract holders. In addition, a Request for Information (RFI) was posted on the NASA SEWP IV website in which six responses were received. Of the six responses received, three respondents were Small Businesses, one respondent was a Service Disabled Veteran Owned Small Business, and two respondents were Other than Small Businesses.

Therefore, sufficient competition is expected among small businesses for this requirement, and as such, the solicitation will only be issued to Group B and Group C contract holders on the NASA SEWP GWAC.

The Government's technical experts have looked at items other than Red Hat Enterprise Linux software, such as products from Microsoft and Macintosh to ascertain if any other items could meet the Government's requirements. It was determined that these alternate products would not be interoperable with the aforementioned items used within the VA architecture and could not meet the Government's requirements

9. Other Facts: None